

## Exhibit B

### Proposed Queen Creek County Island Fire District – Impact Statement

The Queen Creek County Island Fire District (QCCIFD) is proposed to be formed pursuant to Arizona Revised Statute (ARS) §48-851; Noncontiguous county island fire districts; formation.

**Proposed District Boundaries:** The boundaries of the district will be those unincorporated county areas within the Town of Queen Creek's Municipal Planning Area (MPA) as set forth in the map provided by the county assessor (attached).

The QCCIFD boundaries will include only those unincorporated properties located within the Queen Creek MPA within Maricopa County.

**District Assessed Valuation:** The assessed valuation (AV) of the proposed QCCIFD is \$44,773,481 as established by the Maricopa County Assessor's Office. Values used to establish the proposed district's AV are those set on February 10, 2011 for the 2011 tax year.

**Estimate of Property Tax Liability:** The estimated change in property tax liability for a typical resident of the proposed district is calculated based upon the example residential property located at 19238 E. Stacey, Queen Creek.

Residential (Tax Class 3) – 1,664 sq. ft. Full cash value - \$89,179.00 Assessed value - \$8,917.90

Estimated QCCIFD tax liability: \$170.30.

The amount of estimated tax liability is calculated upon tax rate of 1.9096 per one hundred dollars of secondary value. The tax rate of 1.9096 will generate an initial year estimated secondary property tax of \$855,000. An additional \$171,000 in property tax revenue will be generated via the county-wide Fire District Assistance Tax (FDAT). The total first year budget is estimated at \$1.026M (NOTE: estimates are based upon Feb. 10, 2011 property values – fiscal 12-13 financial estimates will vary based upon property values established on Feb. 10, 2012).

The majority of the property tax funding (88%) generated by the proposed QCCIFD will be used to pay for fire services provided by the Town of Queen Creek through an intergovernmental agreement. The cost of these services is currently estimated at \$901,545.96. The costing methodology used to determine the cost of services is a formula method substantially similar to the ones used currently by the four other existing county island fire districts in Maricopa County (Chandler, Gilbert, Scottsdale, Tempe). Administrative, general governance and district formation expenses account for the remaining twelve percent of the budget (\$124,954).

**Benefits Resulting from Proposed District:** Fire and paramedic emergency medical services will be provided by the Town of Queen Creek Fire Department (QCFD). The QCFD has two fire stations strategically located within the Town's MPA to provide efficient and effective emergency response and incident mitigation. This will substantially decrease response times to emergency events.

The QCFD is a participant in the valley-wide automatic aid system, which provides additional fire and emergency medical resources as necessary to mitigate emergency events. Automatic aid participating fire departments have fire stations located in close proximity to the Town MPA. Fire resources are dispatched based upon the closest available and appropriate resource without regard for jurisdictional boundaries. It is anticipated that inclusion within the automatic aid system will significantly improve emergency service delivery to the proposed QCCIFD.

Homeowner fire insurance rates are anticipated to be reduced by an increased level of service provided by the QCFD and proximity of property located within the district to QCFD and automatic aid partner fire stations (Gilbert and Mesa).

A comparative analysis shows the cost of the proposed QCCIFD is less on average than homeowners pay for a subscription to the private fire service provider, whose facilities are not located within the Queen Creek MPA.

**Injuries Resulting from Proposed District:** There are no known or anticipated injuries resulting from the proposed QCCIFD formation.

**Scope of Services to be Provided:** The proposed QCCIFD will be formed pursuant to ARS §48-851. As such the proposed district is strictly limited in scope. The QCCIFD will contract with the Town of Queen Creek for emergency services. The QCFD provides a full-range of fire, emergency medical and all-hazards mitigation services. The QCCIFD will continue to contract with the Town of Queen Creek for the foreseeable future.